Malls are not the invention of modern American life, meeting its obsession with automobiles, merchandising, and leisure shopping. Shakespeare’s London saw their introduction. These London “exchanges” were multi-storied structures, with numerous shops inside, nicely fulfilling shopping and other needs and accounting for more than half of all London’s shops. These exchanges were important real estate expressions of London life and the urban scene. Historians have not paid them sufficient heed.

Exchanges were a stark departure from shops along streets. Street shops were small, with limited merchandise, wares openly displayed, with no glass barriers. Such stores were in mixed-use development, occupying the ground floor with residences above. The result was “strip development,” stores strung along a street, the better shops on the “better” streets. (A “better” street was typically wider, with larger houses and with more foot traffic).

These shops were under separate ownership. There was no grand lease nor were there underlying covenants on the land to control individual shopkeeper behavior with respect to the area or to each other. The upshot was sometimes detrimental to the sales environment; shopkeeper frictions were neither easily nor cheaply resolved. Being situated along streets, shops were also unable to screen out “undesirables,” like beggars, and the abutting streets were often only partially paved and usually in poor condition, an environment likely to suffer from rain, mud, dust, horse manure, and stench.
An exchange by contrast, was conceived anew, comprising a single building, under one owner, housing a vast collection of separately owned shops. Situated in a building slightly removed from the street, the master lessor and the common provisions in all the leases exercised a modicum of control over the public and shopkeeper alike. Shops were protected from the elements as well as from the unruly.

Thomas Gresham built the first shopping center—the Royal Exchange—in 1567. Assisted by the city fathers who acquired the land and houses in inner London to provide the site, Gresham built a multi-story complex, with a large open courtyard inside and covered walks for London’s traders, who formerly walked in streets, often in the drizzle, to conduct their business. The upper stories held about 100 shops. Gresham was to receive their rent to recoup his building costs. But they didn’t rent up.

He then invited Queen Elizabeth I to look in on the Exchange, whereupon, midst great to-do and bell ringing, she dubbed it the “Royal Exchange”. It rented up soon after. Besides products sold by milliners and haberdashers, goods included mouse-traps, bird-cages, shoe-horns, lanterns, musical instruments, new and used armor, drugs and compounds for medicinal purposes, books, jewelry, and glass-ware. Trade came to be supplemented by the upper floor mixing social display and social cachet with the sales of goods, serving as a walk for the “prowde and the loftie ... to be sene in their height and braverie.” There were “usually more coaches attendant [at the exchange] than at church doors”.

Not everything worked smoothly at first. The Exchange’s very success became a public nuisance. Immediately outside it attracted idlers, lounging and “gasinge” about, and on Sundays and holidays great numbers of children and young rogues met there and made “such shoutinge and hollowinge” that it was hard to carry on conversations. Street traders were attracted as well: “rat catchers, sellers of dogs, birds, plants, and trees,” and apple-women and orange-women constantly shouting and swearing.

The next shopping center was the new Exchange, to London’s west. The first Earl of Salisbury, Robert Cecil, built it in 1609, despite protests from London’s Lord Mayor that it would hurt the trade of the Royal Exchange. Cecil had acquired a site with a 200 ft. frontage along the south side of the Strand, one of the busiest streets in London, connecting the Law Courts and the royal palace to the west with The Inns of Court and the City of London to the east. It, too, was slow to rent up, despite King James I having inaugurated it as “Britain’s Bourse,” a name that never caught on.
Lord Salisbury and his advisors were remarkably prescient about how such a shopping mall should work. Store hours were long, as they are in today’s malls. In spring and summer, doors opened at 6 A.M. and closed at 8 P.M., in fall and winter from 7 A.M. to 7 P.M., but religious holidays were scrupulously observed. Common areas were to be swept and cleaned every morning and evening, the green walks weeded, the grass kept even, and the gravel areas smoothed by “a rowler of Stone.”

James, 3rd Earl of Salisbury, not the shrewdest of entrepreneurs, built the Middle Exchange (or Salisbury Exchange) in 1674, but he ran it perpendicular to the street, and the shops furthest removed were difficult to rent up. Its location was so close to his New Exchange that it merely divided his retail sales and was soon a financial disaster. The Exeter Exchange, also built nearby in the 1670s, was only a bit more successful, as customers in the meantime continued to move further west away from these three exchanges.

These exchanges afforded women a considerable business opportunity. Some 46% of the shops within the exchanges had women shopkeepers and owners—eight times the proportion on streets. Even so, the large presence of women in the exchanges, and their intermittent work opportunities, forced many of them to practice multiple trades, part-time prostitution being one, eventually bestowing a disreputable atmosphere to the exchange experience.

The idea of an exchange as a shopping center died out by the end of the seventeenth-century, not to be revived until the nineteenth. Although the Royal Exchange still stands (in its third incarnation after two fires), it is primarily occupied by an insurance company. Early-modern London exchanges had initially offered an environment that “sold” the retail shops that sold the products. The importance of shop agglomeration and the public display by customers were never subsequently amplified. Nor did exchange owners seem to recognize and capitalize on the advantage from their selling of “safety.” Furthermore, the strong undercurrent of sexuality surrounding these exchanges eventually gave them a dubious repute. The “Whore’s Nest” was the label applied to the Middle Exchange, but the other exchanges did not entirely escape that reputation.

Towards the end of the century, the shops became obsolete as tastes changed. Shoppers then, as now, were fickle, coming to prefer larger, more suburban shops located on wider streets that provided better access than the narrower streets in inner London, and perhaps better “parking” for the increased use of carriages. Shops hastened to oblige these changing preferences, moving out to newly fashionable areas, and then, with the passage of a decade or so, moving again to re-establish other, still newer fashionable areas.
Lessons Learned

Historians too often downplay the importance of commercial ventures in urban real estate. These ventures have a long and proud tradition of being an essential part of urban life. As such, shopping malls are not—as some would want us to believe—a twentieth-century invention that distorts and distends society’s earlier, more modest desires to shop. Their long hours are not something modern developers only recently thought up, when earlier times kept shopping impulses in check. Nor is their suburban location some current, “misguided” effort to pull people away from a more “appropriate” downtown location to browse and buy. Suburban locations were popular in Shakespeare’s time. Finally, malls are not just contemporary devices that uniquely sometimes debase human behavior; more ancient times hardly exhibited greater decorum in shopping. In Shakespeare’s time, these “malls” also attracted rich and ne’er-do-wells, the genuine shopper and merely the bon vivant, people watchers and those seeking sexual adventures. Even then, they were an important urban stage on which many kinds of people worked out assorted anxieties and satisfied various desires.